

GREGORY'S BELL Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA Division Director

April 25, 2011

Jacob Skabelund American Trilobite Suppliers, Inc. 10496 Raining Sky Street Las Vegas, Nevada 89178

Subject: Final Approval of Permit Transfer, American Trilobite Suppliers, ML 48944 & ML 49599 and Red Wheeler Mines, S/027/0107 and S/027/0112, Millard County, Utah

Dear Mr. Skabelund:

The Division of Oil, Gas and Mining approves the replacement reclamation surety and reclamation contract for the transfer of the ML 48944 & ML 49599 Notice of Intention (NOI) (S/027/0107) from Robert Drachuk to American Trilobite Suppliers Inc.

This transfer approval is made concurrent with your request received April 18, 2011, to amend the Red Wheeler Mine permit (S/027/0112) to include the disturbance from permit S/027/0107. The existing surety (\$7,600) for the Red Wheeler Mine (having a current disturbance of less than 0.74 acres) is sufficient to cover the addition of approximately 0.26 acres of disturbance from S/027/0107. With the inclusion of an additional map from the Division's files, your NOI has been amended to include approximately 0.26 acres of disturbance formerly permitted by Robert Drachuk under permit S/027/0107. Copies of the complete amended NOI, stamped approved, and of the signed reclamation contract are enclosed.

You are now solely responsible to conduct mining and reclamation operations on the current disturbance of the transferred permit as outlined in the approved NOI. Robert Drachuk is released from any further reclamation liability under the S/027/0107 permit.

Thank you for patience in completing this permit transfer and amendment. Please refer to file S/027/0112 in any correspondence regarding this operation. If you have questions regarding this letter, please contact me at 801-538-5261 or Peter Brinton at 801-538-5258.

Paul Baker

Minerals Program Manager

PBB:pnb:pb

Enclosure: Reclamation Contract Robert Drachuk

wstokes@utah.gov, SITLA

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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

April 26, 2011

Robert Drachuk 44 West 400 South Delta, Utah 84624

Subject: Notice of File Closure and Release of Reclamation Surety, Robert Drachuk, ML 48944 & ML

49599 Mine, S/027/0107, Millard County, Utah

Dear Mr. Drachuk:

The Notice of Intention to Commence Small Mining Operations (NOI) for the referenced mine will now be closed and the file retired. This operation has been combined with the Red Wheeler mine, S/027/0112, under one NOI, and the new operator has submitted a reclamation surety and reclamation contract.

The Division has written Zions Bank authorizing release of the certificate of deposit that was being held as reclamation surety for the ML 48944 & ML 49599 operation (copy enclosed). Also enclosed with this letter is the original reclamation contract for your records or disposal.

You are hereby released by the Division from further reclamation responsibilities at this site. If you wish to conduct any future mining or exploration related activity in this area, you will need to submit a new NOI to the Division and provide reclamation surety <u>prior</u> to creating any disturbance.

If you have any questions or concerns regarding this action, please contact me at (801) 538-5261 or Peter Brinton at 538-5258.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB:pb

Enclosures: Original Reclamation Contract, Copy of Release Letter to Zions Bank

cc: wstokes@utah.gov, SITLA

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